

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DEER CREEK WATER DISTRICT HELD JUNE 11, 2020

Due to the COVID-19 pandemic, the regular meeting of the Board of Directors of the Deer Creek Water District (referred to hereafter as "Board") was convened by telephone conference call on Thursday, the 11th day of June 2020, at 6:30 p.m. The call-in information was listed in the meeting notice posted by the District and the public was able to attend the meeting by telephone, if they so desired.

Directors In Attendance Were:

Gary McIntyre
Lyle Penner
Dave Lunka
Ted Stutz

Also, In Attendance Were the Following Consultants:

David Solin and Steve Beck (for a portion); Special District Management Services, Inc.

Nick Marcotte; Element Engineering LLC

Following discussion, upon motion duly made by Director McIntyre, seconded by Director Penner and, upon vote, unanimously carried, the absence of Glenn Smith was excused.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. No additional conflict disclosures were made at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

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Following discussion, upon motion duly made by Director McIntyre, seconded by Director Penner and, upon vote, unanimously carried, the Agenda was approved, as presented.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director McIntyre, seconded by Director Penner and, upon vote, unanimously carried, The Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by conference call and encouraged public participation via telephone. The Board further noted that notice of the time, date and location was duly posted and that that no objections to the telephonic manner of the meeting, or any requests that the telephonic manner of the meeting be changed by taxpaying electors within the District boundaries, have been received.

May 2020 Election: Mr. Solin noted for the Board that the May 5, 2020 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors Penner, Smith and Lunka were deemed elected to 3-year terms ending in May 2023. Director Stutz was deemed elected to a 2-year term ending in May 2022.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director McIntyre, seconded by Director Lunka and, upon vote, unanimously carried, the following slate of officers was appointed:

| | |
|---------------------|---------------|
| President | Gary McIntyre |
| Vice President | Lyle Penner |
| Treasurer | Glenn Smith |
| Assistant Secretary | Dave Lunka |
| Assistant Secretary | Ted Stutz |

Minutes: The Board reviewed the Minutes of the March 12, 2020 Regular Meeting and the April 16, 2020 Special Meeting.

Following discussion, upon motion duly made by Director Penner, seconded by Director Lunka and, upon vote, unanimously carried, the Board approved the Minutes of the March 12, 2020 Regular Meeting and the April 16, 2020 Special Meeting, as presented.

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PUBLIC INPUT/COMMENT

There were no public comments.

OPERATION MATTERS

Operators Report: Mr. Solin presented to the Board the operator's report.

Engineers Report: Mr. Marcotte presented to the Board the engineer's report.

Field Service Report: It was reported that there was a line break that was repaired. Nick Moncada will be performing a water test on the meter and ERT of a residence to confirm that all readings and multipliers are accurate.

Status Update: There was no status update.

FINANCIAL MATTERS

Payment of claims: The Board reviewed the payment of claims for the periods ending February 2, 2020 Special Check, in the amount of \$660.00, February 24, 2020, in the amount of \$8,709.41, March 30, 2020 Special Check in the amount of \$59,330.00, March 24, 2020, in the amount of \$38,200.02, April 16, 2020, in the amount of \$24,014.37 and May 15, 2020, in the amount of \$15,775.12.

Following discussion, upon motion duly made by Director Lunka, seconded by Director Penner and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Financial Statements: The Board reviewed the financial statements through the period ending May 31, 2020.

Following discussion, upon motion duly made by Director McIntyre, seconded by Director Lunka and, upon vote, unanimously carried, the Board approved the financial statements through the period ending May 31, 2020.

Billing Report: The Board reviewed the billing report for the month of May. The Board directed Mr. Solin to email the billing report to the Board every month.

2019 Audit: The Board discussed the status of the 2019 audited financial statements.

Following discussion, upon motion duly made by Director McIntyre, seconded by Director Penner and, upon vote, unanimously carried, the Board authorized the execution of the audit extension.

Xpress Bill Pay Accounting: Mr. Beck discussed with the Board the process used for Xpress Bill Pay accounting. Mr. Beck was directed to transfer funds from Xpress Bill Pay into the Colotrust account weekly.

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LEGAL MATTERS

Resolution to Amend the Districts Rules and Regulations Concerning Commercial Water Rates: The Board considered a Resolution to Amend the Districts Rules and Regulations Concerning Commercial Water Rates and triple the enterprise fee.

Following discussion, upon motion duly made by Director Lunka, seconded by Director Penner and, upon vote, unanimously carried, the Board adopted the Resolution to Amend the Districts Rules and Regulations Concerning Commercial Water Rates. The enterprise fee will be tripled and \$195 will be added monthly retroactive, subject to final legal review.

Appoint District Representative for Approving Construction Change Orders: The Board considered appointing Director McIntyre as District Representative for approving construction change orders as requested by contractor subject to ratification by full Board at the next ensuing regular or special meeting of the Board.

Following discussion, upon motion duly made by Director Penner, seconded by Director Lunka and, upon vote, unanimously carried, the Board appointed Director McIntyre as District Representative for approving construction change orders as requested by contractor, subject to ratification by full Board at the next ensuing regular or special meeting of the Board.

OTHER MATTERS

Project Update: Mr. Marcotte presented to the Board an update to the project report.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director McIntyre, seconded by Director Penner, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Assistant Secretary